

SUGAR AND PLANTATION NEWS

MARKET IS FIRM AND RAW SUPPLY IS STILL SCARCE

Cuban Crop Harvest Continues Slow and Louisiana Is Exhausted

WESTERN BEET INTERESTS WITHDRAWING FROM EAST

Increase in Number of Cuban Centrals Grinding Gives An Easier Tone

The sugar market at New York closed firm but quiet for the week ending January 11. The market during the week was steadily maintained at 5.30 cents, Willett & Gray report, and this price was also paid for specified January clearances.

Quotations on the Hawaiian basis from January 5 to 11 were 5.26, 5.33, 5.39, 5.46, 5.56 and 5.57.

Sales of raw sugar at New York for the week were 88,000 bags Cuban, January clearances, 5,000 prompt, 9,000 adroit and 70,000 early February; 32,000 bags Porto Rico, some prompt and most late January delivery, and 200 tons Peru in port.

Market Shows Strength
The sugar markets were reported to have developed the intrinsic strength of the sugar situation. The expected glut of beet sugars had not occurred, and the forecast was made that it would not occur.

The Louisiana crop had not furnished any surplus and was practically exhausted. The Cuban crop was unexpectedly slow in its harvest, and finally, sugars are scarce and rising in price. With the withdrawal of Western beet interests from Eastern territory then occurring, the whole sugar market seemed to take on considerable strength.

Stocks in the United States and Cuba together were 137,834 tons, against 136,875 last week and 170,564 last year, a decrease of 32,730 tons from last year. Estimated floats to United States ports totaled 64,000 tons, against 33,000 tons last year, the total being made up of Cuba and Porto Rico, 25,000 tons; Louisiana, 14,000 tons; Philippines, 16,000 tons; Louisiana, 4,000 tons; various, 5,000 tons. Willett & Gray reported on the week as follows:

Raw Supplies Small
The market during the week was steadily maintained at 5.30 cents, and this price was also paid for specified January clearances.

"The small raw supplies at the Atlantic ports gave the market a strong tone and there was every indication of obtaining 5.52 cents for sugars in near-by positions."

"However, the exports from Cuba during the week were cabled an 19,931 tons new crop and 1687 tons old crop, and as these exports were larger than expected, they gave an easier tone to the market, and apparently the chances of obtaining 5.52 cents was gone for the present, as there were sales reported on Tuesday and Wednesday of Cuban sugar at 5.39 cents, and there were sellers of January shipments at 5.33 cents."

"First half of February sold at 5.27 cents, and all February sold at 5.14 cents."

"Porto Rico also helped to relieve the situation with sales of prompt shipment at 5.33 cents and January arrivals at 5.27 cents. The rapid increase in the number of Cuban centrals to 132 also had a tendency to ease off the market."

Cuban Crop Backward
Cuban centrals grinding January 11 were 132, against 90 last week and 143 last year. Receipts for the week were 35,209 tons, against 61,551 last year. Willett & Gray report:

"The crop is backward, but it is entering up quickly. Perhaps the most important item is the figure of exports for the week—19,931 tons new sugars and 1687 tons old sugars, a total of 21,618 tons, all destined to United States Atlantic ports."

"Stocks in the island were 47,419 tons new and 11,857 tons old, total 59,276 tons. The visible production to January 6 was 71,903 tons, against corresponding figures for the two preceding campaigns of 152,699 tons and 99,676 tons respectively. The weather continued favorable for harvesting throughout the week."

Manila Shipments Heavy
Manila reports exports of 1000 tons to United States Atlantic ports, the same to the Pacific Coast, 1860 tons to the United Kingdom, 5140 tons to Asiatic ports, and estimated floats January 1 of 17,000 tons to United States Atlantic ports.

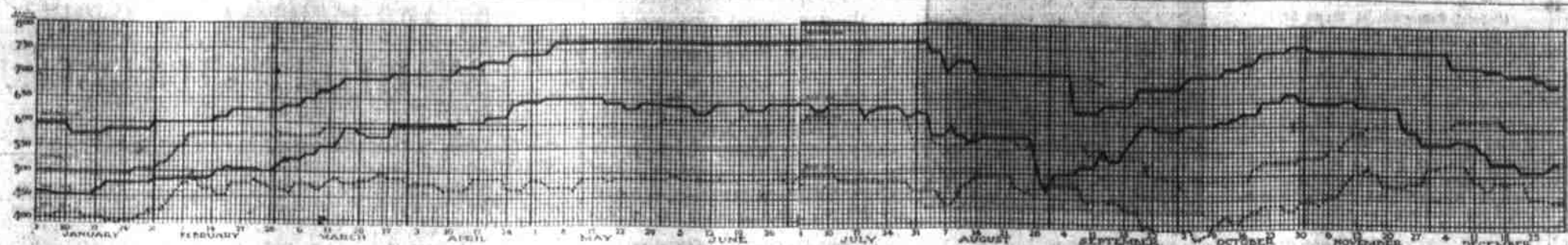
Total shipments for calendar year 1916 were 137,000 tons for America, against 84,000 tons the previous year; total shipments to all countries 1916 calendar year, 338,000 tons, against 208,000 tons the previous year.

Louisiana Yield Low
The United States department of agriculture has issued a preliminary figure of the output of the 1916-17 Louisiana crop as 272,654 tons. Average yield of sugar was 7.3 per cent.

England still reports demand for sugar far in excess of supply, notwithstanding the appointment of a food controller.

M. Herriot, minister of supplies, de-

BELOW is a chart, reprinted from Facts About Sugar, showing the daily range of sugar prices during 1916, compared with 1915. The solid lines represent 1916 prices and the dotted lines represent 1915 prices; the upper solid and the upper dotted being refined prices for the two years and the lower solid and the lower dotted being raw prices. The raw prices represent sales of centrifugals, Cuban basis, 96 degrees test, duty paid. The refined prices represent refiners' daily New York quotations subject to two per cent cash discount.



Forecasts Are Favorable For Another Prosperous Year

Favorable forecasts of the sugar situation for 1917 are given in every quarter, and a symposium of the views of experts shows the expectation of another favorable year. The optimistic outlook is evident in every locality, and prevails despite the conditions that would ordinarily indicate a lean year and in face of probable peace and the end of "war prices."

Facts About Sugar, from which the following quotations are copied, sums up the situation in succinct manner:

"Looking forward to 1917, the general expectation among careful students of the sugar situation is that while prices may not maintain the high level of last year, they will be sufficient to yield very satisfactory results, granted a reasonably favorable growing season."

Stocks At Lowest Ebb
"Estimates of domestic crops now under way point to a marked increase in production."

"The severe measure of regulation which both the belligerent and neutral nations of Europe have adopted in an effort to cut down the consumption of sugar, taken in connection with the increased absorption of tonnage in the immediate demands of the war, are expected to ease the demand from this quarter."

On the other hand, sugar stocks throughout the world are at the lowest ebb in modern sugar history, and should hence be declared during the year there would very likely be very strong buying movement from European nations to relieve existing shortages which could not fail to be reflected on the trend of prices in the American market."

Refiners Point Of View
From the refiners' point of view, an official of the American Sugar Refining Company, discussing the two sharp advances in the prices of refined sugar in the early spring and late fall of 1916, is quoted as follows by Facts About Sugar:

"The strong advance in the spring was caused by heavy purchases of raw sugar from Cuba by foreign governments, as well as refined sugar for export, at a time when refiners in the United States were seeking raw sugar to supply an unusually strong demand of the domestic trade."

"The advance in the autumn was caused by the country's running out of sugar and seeking to replenish its supplies at a season of the year when it is expected to receive the full benefit of the best crop, which was delayed, and, in addition, difficult to obtain by reason of the serious war shortages in the beet producing territories."

Heavy Export Trade Seen
"The year 1917 has approached with statistical reports of the largest Cuban crop of sugar on record, it being claimed that it will exceed that of the previous year by from 300,000 to 500,000 tons."

"At the same time the crop is evidently quite late and there is a serious shortage in available vessels for carrying sugar from Cuba to the United States, as well as to foreign countries, and from the United States to foreign countries."

"On the other hand, it is anticipated that there will be a heavy demand for export this year, similar to last year. But no one can forecast the results of the efforts of foreign governments to curtail the consumption of sugar, as appears to be their intention. All refiners are much concerned in the large increase in cost of refining as well as of packages for distribution."

Beet Crop Shrinkage
Fluctuations only are seen by W. H. Edgar, as president of the Colonial Sugar Company, is quoted as follows in a dispatch from Detroit, Michigan, commenting on the reported beet crop shrinkage:

"The 1916 beet campaign produced hardly more than half a crop in both Ohio and Michigan. It now develops that earlier Western estimates were also too high. The total United States beet crop will probably show a shrinkage somewhere around 40,000 tons, instead of the 100,000 tons which the French people shall be one pound and a half for each person a month after February 1. Newly increased duties are imposed of 3.95 cents per pound on all raw and refined imported for direct consumption and a like amount (probably in addition) on raws destined for refining."

Statistics show a very poor beginning to the beet campaign in Russia, production being very small because of the small number of available factories to work and shortage of beet deliveries."

"The realization has sunk home in the minds of the Louisiana producers, and in 1917 they now propose to build

stead of an increase, as was anticipated early in the summer of 1916.

"Nineteen seventeen promises to be a year of high price levels, possibly without much fluctuation unless sentimentally depressed by peace or rumors of peace."

Cuba Feels Confidence
Labor's high cost, the late grinding start, excess rains and the belief that high prices were dependent last year on the war alone are given as grounds for doubt that 1917 can duplicate 1916 in an opinion from the Cuban producers' point of view.

The opinion is expressed by W. A. Preston, president of the United Fruit Company. In spite of these factors, he forecasts for Cuban producers their "second biggest year" in a statement as follows:

"The sugar year just ended was easily the most successful in the entire history of Cuban sugar producers. Everyone in Cuba made money, and it was generally a period of milk and honey. The statistical records of the more important sugar producers as they have been appearing month by month give concrete evidence of this assertion."

"Second Biggest Year"
"It does not at the moment look as if we could possibly duplicate in 1917 the wonderful showing of the past year."

"For one thing labor in Cuba has been advanced 30 to 50 per cent during the past 12 months. Further, the crop has been late in starting; there has been an excess of rain in many sections and saccharine content is an unknown factor. The continuance of high prices is largely dependent upon the lengthening out of the war."

"If the peace movement subsides and Europe comes in as a heavy buyer, which at the moment seems doubtful, my opinion is that we shall see excellent prices for sugar. But the increase in cost of production means smaller net profits this year than last, even if the price averages as well as last year."

"In a general way 1917 promises to be the second biggest year of profits Cuban sugar producers have ever known."

Louisiana Plans Improvements
Louisiana producers are confident of a good year that plans are under way for use of the good prices as a means of improvement and addition to the equipment and machinery according to Charles A. Farwell, a prominent Louisiana producer, who speaks for that section as follows:

"Aside from the freeze of last November, which slightly damaged the cane crop, the past season, on the whole, came out very satisfactory to every one interested in the sugar industry."

"Going to the rather early crop movement, Louisiana sugar has so far brought prices well above the average. Most of the local planters now feel that good prices will prevail for several years to come, and large orders will undoubtedly be placed by local producers for machinery, tools and equipment this winter, in preparation for an active and considerably enlarged nineteenth season campaign."

And the New Orleans correspondent of Facts About Sugar, describes more fully the optimistic outlook in the Louisiana section as follows, in a dispatch dated early in January:

"It is interesting, therefore, to note that in all sections of the sugar belt optimism prevails, and that the plans in the majority of cases which the producers are making public relate principally to contemplated factory improvements to be carried out and inaugurated during the new year."

"In this connection it is of special importance to note that many of the changes in factories in which these proposed improvements are to be carried out, are for improvements that were practically neglected during the agitation for free sugar."

"The repudiation of this clause last April has put an entirely different aspect on the future for the Louisiana producers and today throughout the entire Louisiana sugar belt the constructive spirit reigns, where previously pessimism and protracted ruin were the dominant factors."

Sugar Revenue Needed
"Logically and naturally since the change of heart by the Administration, the fear of free sugar as a permanent national policy has worn away. It is now perhaps more keenly realized here than ever before that the Government needs all the possible revenue from sugar imports more than has ever before been the case in the history of the country."

"This realization has sunk home in the minds of the Louisiana producers, and in 1917 they now propose to build

Sugar Tariff Raise Is Needed To Meet Government Deficit

Reporting that the contemplated plan to increase the tariff on sugar will probably take the form of a half a cent a pound higher duty, the Washington correspondent of Facts About Sugar gave the following account of the government financial situation under date of January 4.

The imperative necessity of devising methods for greatly increasing the federal revenues during the coming fiscal year is causing officials of the treasury department and Democratic members of the house of representatives to give consideration to the possible sources from which additional income can be derived.

The drift of sentiment is strongly in favor of a bond issue to cover a large part of the tremendous deficit that confronts the Government. According to the estimates of congressional leaders this will amount to something in the neighborhood of \$300,000,000.

If a bond issue is decided upon, every item of expenditure that can be set against it with any approach to consistency will be charged up to this account. Among these items will be included the cost of the enlarged naval program, the purchase price of the Danish West Indies, and other appropriations aggregating \$200,000,000.

This will still leave a gap of \$100,000,000 between estimated income and expenditure to be closed by tariff duties or direct taxes. Congress, only recently doubled the income tax rate, and it is felt that any further increase in this direction is out of the question. Congress likewise repelled the special "war taxes" because of the widespread dissatisfaction with them, and the unpopularity of these stamp and excise taxes, except on liquors and tobacco, makes members generally unwilling to consider them.

As practically the only remaining resource, consideration has turned this week to an advance in the tariff on sugar and to the possible imposition of moderate duties on coffee, wool and rubber, as well as some other articles.

Suggestion emanating from majority leaders in Congress have turned discussion into this channel within the past few days. While the proposals have not taken a definite form, it is tentatively suggested that the duty on sugar be increased from the present effective rate of one cent a pound to a cent and a half. It is pointed out that this will provide approximately \$25,000,000 a year of additional revenue.

Up to the utmost the state's sugar production to the old high levels that once existed. To the planters this possibility appears as a new lease of life."

Porto Rico Is Happy
The outlook is described as favorable for Porto Rico in comments as follows:

"As prosperous as was 1916 for the Porto Rican sugar producers, brought about in the main through the high prices prevailing during the year," said E. S. Armstrong, secretary and treasurer of the Fajardo Sugar Company, "the new year just ushered in, covering the 1916-17 season, will be even more prosperous if all indications pointing in that direction are realized."

"The sugar production of Porto Rico last year was over 483,000 ordinary tons, and conservative estimates place the 1917 production at about 500,000. Of course this estimate may be exceeded a little or it may possibly fall short of this tonnage, the final production being entirely dependent on weather conditions, and favorable factors affecting grinding."

Labor Situation Improved
John Farr, vice-president of the Central Aguirre Sugar companies, gives as his opinion that the year 1917 will be a record one for the sugar industry of Porto Rico.

"Central Aguirre will produce at least ten per cent more sugar this year than it ever has," Mr. Farr said, "and I believe the same is true of the majority of the other factories in Porto Rico. The crop for the island is much larger than last year, and the weather conditions are continuing highly favorable."

"Labor conditions have greatly improved and in fact all the factors on which an increased production are based are at the present time most favorable."

Davies Mills Grinding
Four Davies & Co. plantations started grinding this month before the fifteenth. They were: Ha'awa, January 9; Kuleian, January 11; Kaiwika, January 11, and Waikona, January 15. Nialli is not yet under way, but is expected to begin any time soon. Juices are all reported good.

Federal Bureau Gives Figures On Hawaiian Sugar Production

Statistics compiled by the bureau of crop estimates of the United States department of agriculture on the sugar production of the Hawaiian Islands for the year ending September 30, 1916, are now available. Comparative statistics by years are in tabular form follows:

Cane Used For Sugar									
Year ending Sept. 30th.	Sugar Made Tons	Total Area in Cane Acres	Area Harvested Acres	Average Yield per Acre Tons	Production (Cane crushed) Tons	Average Sugar Average Length ton of cane, paig. Pounds	Average Sugar Average Length ton of cane, paig. Pounds	Average Sugar Average Length ton of cane, paig. Pounds	Average Sugar Average Length ton of cane, paig. Pounds
1916	292,763	246,332	115,419	42	4,589,424	244	380		
1915	282,703	239,800	113,290	46	5,185,000	249	395		
1914	266,000	219,000	112,700	45	5,004,000	240	383		
1913	246,524	214,900	114,900	39	4,474,000	244	389		
1912	206,038	113,900	113,900	42	4,774,000	240	380		

The bureau's figures show a lower yield of cane per acre and a smaller average of sugar per ton of cane for 1916 than the preceding year. The production is fixed at 592,763 tons of sugar, 53,237 tons less than 1915. The area harvested, 115,419 acres, is larger than any of the preceding four years and 2,219 acres more than 1915. The total area in cane during 1916, 246,332 acres, is reported as an increase of 6,532 acres of the previous year. The yield of sugar per ton of cane varied within the limits of from 12 to 12 1/2 per cent yield in sugar of the weight of the cane, the figures showing as low as 240 pounds per ton in 1914 and as high as 249 pounds per ton in 1912.

Juices Reported As Good By Most All Plantations
With grinding well under way, few mills having failed to start, preliminary reports on the quality of the juices are coming in and all are favorable.

"As good or better than last year" is the gist of the comments on the juices. The majority of the mills grinding are reporting "better," which is a report that the good Kauai plantations are producing a good quality of juice this year than last. Maui plantations are about the same with some mills grinding a little lower than the others, while Oahu and Hawaii report the juices as good as last year and in some cases better.

Schaefer & Co. report for their plantations, Honokaa and Pacific Mill, exceptionally better report a good Kauai plantations are producing a good quality of juice this year than last. Maui plantations are about the same with some mills grinding a little lower than the others, while Oahu and Hawaii report the juices as good as last year and in some cases better.

Brewer & Co. report the quality of the juices from their mills as much better than was expected at this time of the year and such as to give satisfaction. Bishop & Co. report the juices at Oahu as good.

Davies & Co. whose mills got away to a late start, most beginning grinding this month, report all juices good and well up to the mark.

Holland Production Figures
Willett & Gray report the sugar production in Holland for 1915-16 as 242,753 tons. The consumption for the campaign year was 14,389 tons raw and 139,763 tons refined. Total was 164,152 tons against 145,529 tons the previous campaign. The imports were: Germany, 2,700 tons; the United States and Cuba, 5,000 tons. The exports were 52,440 tons raw and 35,461 tons refined, of which total quantity Great Britain imported 23,500 tons; Belgium, 18,226 tons; Germany, 11,517 tons and balance to other countries. The increase in consumption caused somewhat of a scarcity of sugar in Holland during the last months of the campaign.

Four More Grinding
Four Brewer & Co. plantations on Hawaii reported their mills started grinding during the last two weeks. With the four mills started during the same period on Davies & Co. plantations on Hawaii, where the start was late, this brings the total to eight mills lately got under way on the Big Island. Hilo Sugar Company started some ten days ago at Oonema, Hakalau and Honoma mills began grinding last week. The juices are reported as exceeding expectations for this season of the year and very satisfactory.

Cane Producing Well
The quality of the juices from Honokaa and Pacific Sugar Mill is reported by Schaefer & Co. as far better than ever before at this time of the year. January grinding has averaged this far 8.54 per cent of cane to a ton of sugar. J. W. Waldron pointed out that an eight-ton average of cane to a ton of sugar for the year is the general rule, and to find the cane producing at this rate so early in the season has been somewhat of a surprise. January grinding generally requires about ten tons of cane to a ton of sugar.

Jamaican Mills Grinding
All of the sugar factories in the island of Jamaica have started the grinding season. If the weather continues favorable it is expected that the largest crop in the history of the island will be secured. Jamaicans are reported to be investing heavily in American made mill machinery.

Peepekeo To Start
Brewer & Co. reports that Peepekeo will start grinding Monday.

CUTS CIVIL SERVICE
BUENOS AIRES, January 24.—The new radical government has begun a wholesale curtailment of the civil service in the Argentine, and it is declared that without prejudice to the interests of the country the service of so many persons have been dispensed with and bureau eliminated that the economy will amount to some \$6,000,000 a year.

Unemployment is so general at present in the Argentine that emigration to Brazil has become active. The government considers the situation so alarming that it is now compiling a general census of the unemployed.

RAW SUGAR PRICE BELOW FIVE CENTS

Refiners Are Uninterested; Buying On Hand To Mouth Basis

Sugar quotations on the New York market yesterday affecting the Hawaiian basis dropped below five cents a pound, to 4.80 cents, for the first time in almost a year. The last previous quotation was 5.02 cents.

February generally sees a decline, but the month opened promising and all latest reports by mail from New York indicated an advancing market that might boost the price to 5.50 cents a pound.

After hovering around 5.36 cents, 1907-20 a ton, all the earlier part of the month, the Hawaiian quotation began to slide January 15, when it again touched the high point of the month, 5.39 cents. The next day, the quotation dropped to 5.27 cents, and the next day to 5.205 cents where it held for four days. This week opened with a new lower price, 5.03 cents, and late yesterday came the message of the quotation at 4.89 cents a pound or \$97.50 a ton.

The latest explanation of the decline was a message received by Alexander & Baldwin from its New York office. The message, however, preceded the advice of the change to 4.89, being a wireless night letter dated Wednesday and reporting the market for that day. It explains much, though, of the weak tone of the market. The message follows:

"The market is trending downward and refiners are not interested. There is a greater pressure to sell than buy."

"Offers of Cuban sugar for January delivery were at 5.08. Bids were solicited at 5.02; February delivery at 4.95. Porto Rico for January delivery were offered at 5.02."

"There was a sale today of Cuban sugar at 5.02 to the Federal Refiners high domestic basis is at 6.75."

"The volume of refined business is restricted as refiners are buying on a hand to mouth basis. April option closing at 5.87."

Hawaiian raw sugars on the way to market yesterday totaled 10,232 tons. The Willamette reported Wednesday with 5309 tons, of which 4,800 was for San Francisco and five hundred was for Eastern refineries. Of the Lurline's cargo which is being unloaded at San Francisco, there were 2235 tons for transshipment East.

Of the Matsushita's sugar cargo, landed in San Francisco on the sixteenth, 1697 tons went East in thirty-nine cars and probably has not yet arrived. Of the thirty-nine carloads of the Matsushita's cargo, twenty left San Francisco January 17, seventeen January 18 and two January 19.

DECLINE IN OIL WEAKENS MARKET

Honolulu Oil, slumping downward from 5.00 to 4.10 in a sudden selling campaign, was the center of interest in trading on the local stock exchange yesterday. News of a similar drop in the price on the San Francisco market, reported to have started Wednesday, is attributed as the chief cause of the decline in the price here, which has been rising steadily for the last two weeks in speculative buying. The nature of the holdings, speculative, found a ready field for the henrik rumors that, apparently without foundation, caused the slump.

The balance of the market, listed and unlisted, was erratic and without decided change.

Tanjong Ouk made the best advance of the day, selling for 40.00 on last bid, five and a half points over last bid. McBryde gained an eighth at 11.50, and stocks without change were Olan at 16.25, Pahang Rubber at 20.00, Pioneer Mill at 41.00 and Oahu at 31.50. Wainia lost a quarter at 39.50, Ewa the same at 32.25, and Kahuku at 19.75. Newery, quoted at 16.50 bid Wednesday, sold for 17.00 yesterday, a decline of one and three-quarters from last sale. Shares sold were 1425, of which 298 were at the session.

Engels gained a half of recent losses and moved to 8.12 1/2 from 7.82 1/2. Mineral Products was firm at 1.15. Montana Bingham at 48 cents, and Mountain King at 32 cents, a slight advance.

FORESTRY BOARD RAISES PAY OF SOME EMPLOYEES

Men who have any connection with the cattle business are not qualified for forest rangers and will not be appointed as such, according to a decision reached by the board of agriculture and forestry in its monthly meeting yesterday. The commission took the ground that as one of the duties of the rangers is to keep the outfit of the forest, it would be "poor policy to appoint cattlemen as rangers."

The commission also proposed a few names for the raise in salary. The salaries of several of the board's employees being raised. Among the fortunate ones were Joseph Richards, livestock inspector; Edward Drew, deer inspector; and Manuel Freitas, stablesman.